

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES**

**ANALYSIS AND PROPOSED DECISION
TRANS-ALASKA PIPELINE RIGHT-OF-WAY LEASE AMENDMENT, ADL 63574
BANK STABILIZATION STRUCTURE AT THE DIETRICH RIVER,
PIPELINE MILEPOST 199.5**

Proposed Action: The Department of Natural Resources (DNR) received a request from Alyeska Pipeline Service Company (APSC), agent for the Trans-Alaska Pipeline System (TAPS) lessees, to amend the Trans-Alaska Pipeline Right-of-Way (ROW) Lease, ADL 63574, to add lands approximately 51 miles south of Pump Station 4 and 37 miles north of Coldfoot, Alaska.

The proposed construction ROW is approximately 1021 ft. long by 58 ft. wide; located within SE1/4SW1/4 Section 35, Township 34 North, Range 10 West, Fairbanks Meridian; and containing approximately 1.35 acres.

This amendment request is necessary to support the installation of the bank erosion control structure that extends outside the existing TAPS ROW. The added land to the operational ROW will need to be surveyed and the survey must be approved by the state. The additional lands are necessary to support the existing pipeline system as defined in AS 38.35.230(7) and authorized by the Trans-Alaska Pipeline ROW Lease, ADL 63574. See drawings for more details (Attachments A and B).

Authority: AS 38.35.015 and Trans-Alaska Pipeline ROW Lease, ADL 63574.

Administrative Record: Trans-Alaska Pipeline ROW Lease, ADL 63574, and the associated ROW Lease Amendment case file constitute the administrative record.

Background: On December 31, 2020, the Public Notice of the ROW lease amendment request was published in the Anchorage Daily News and Arctic Sounder newspapers, and posted on the State of Alaska online Public Notice and Division of Oil and Gas Newsroom webpages. The Public Notice was sent for posting in the Noel Wien Library in Fairbanks and U.S. Post Offices in Fairbanks and Coldfoot.

Pursuant to AS 38.35.070, the following coordinate agencies were notified of the application and associated documents: Department of Labor & Workforce Development, Department of Transportation & Public Facilities, Department of Environmental Conservation, and Regulatory Commission of Alaska. Additionally, the following agencies received the link to the application and associated documents: the Alaska Departments of Fish & Game (ADF&G), Revenue, and Public Safety.

The Office of History and Archaeology (OHA) State Historic Preservation Office (SHPO) reviewed the bank stabilization construction areas. On February 21, 2020, OHA determined there are no known cultural resource sites in the activity areas. If inadvertent discoveries of cultural resources occur, OHA must be notified to evaluate whether the resource should be preserved in the public interest pursuant to AS 41.35.070(d). Examples of cultural resource sites that can be encountered include: historical cabin remains, adits, dredges, mining equipment, cultural depressions or pits, graves or cemeteries, tools, artifacts, and paleontological remains.

Project Description: The Dietrich River flows south and is a wide, braided gravel bed stream with multiple sub-channels across the width of the floodplain. The floodplain is approximately one-half mile wide and the ground elevation is approximately 2,000 feet. The TAPS pipeline and the Dalton Highway are located on the eastern side of the valley.

The aboveground pipe in this area was protected by a riprap guide bank approximately 800 feet long that was installed in 1985 during the Milepost 200 reroute. In 2009, APSC constructed an extension to the existing guide bank at PLMP 200.8.

During a TAPS river and floodplain surveillance of the Sagavanirktok and Dietrich Rivers on May 23, 2019, APSC discovered aggressive bank erosion at PLMP 199.5. An estimated 25-50 feet of bank buffer between the pipeline ROW and the left/easterly riverbank had been lost during spring breakup, with 80 feet of buffer remaining to the aboveground pipe supports and to the near/westerly edge of the pipeline workpad. Water levels had been very high for over a week due to warm weather and rapid snowmelt. The channel migrated toward the east side of the floodplain, eroding the bank. APSC stockpiled riprap on the west side of the ROW between the pipe and the riverbank as a preventive measure to intercept and arrest the eroding bank.

During the next few days after APSC initially discovered the erosion, another 8 feet of bank was lost, with the remaining buffer (riverbank to pipeline) measuring between 77 and 82 feet wide. The riprap pile had increased in length to 185 feet long, on the upland buffer area along the westerly edge of the workpad. The westerly/riverside toe at the north end of the berm was 63 feet from center of pipe (station 10533+69), and the toe at the south end was 61 feet from pipeline centerline (station 10534+88). The stockpile encroached outside the 42 ft. federal land ROW boundary about twenty feet along its length.

During May 28, 2019, the river claimed all of the upland buffer at this location on the left bank of the river. During this time, APSC added approximately 600 cubic yards of material (200 ft. long by 40 ft. wide by 3 ft. deep) to the pile on the uplands and 500 to 1,400 cubic yards of rock was placed at the water's edge to stabilize about 400 feet of bank where the river was actively undercutting. The placement was facilitated by a wedge of land that had broken off from the bank creating a temporary obstruction in the current in the area of the damaged bank. Once the bank was stabilized, APSC added a rock key-in at the upstream end and work was completed with re-spreading of organic material in mid-June 2019. This emergency response work stabilized the bank and repaired some of the upland buffer that had been lost.

On May 30, 2019, the State Pipeline Coordinator's Section sent an email with a non-objection for the activities occurring below ordinary high water of the Dietrich River at PLMP 199.5, and requested that APSC follow-up with the necessary ROW lease amendment application.

On December 19, 2019, APSC followed up with an application and requested the State Pipeline Coordinator's Section to amend the TAPS lease to include the above-described lands for the purpose of constructing and maintaining a guide bank structure. The federal government owns the uplands in this area and the Bureau of Land Management will issue the required authorizations for the upland work. On November 2, 2020, APSC sent a revised preliminary record of survey and post-construction narrative of the work performed.

Title:

The State of Alaska applied for title to the lands above ordinary high water in Section 35, Township 34 North, Range 10 West, Fairbanks Meridian, excluding Gates of the Arctic Wilderness and Gates of the Arctic National Park, under general grant selection (GS-5186) on June 23, 1989. The uplands are owned by the federal government and managed by the Bureau of Land Management (BLM).

On October 27, 1993, the Department of Natural Resources, Division of Water-Navigability Section conducted a river navigability study of the Dietrich River and concluded the river was navigable from its mouth upstream to Nutirwik Creek (Dalton Highway milepost 227.5). This guide bank extension project is located near Dalton Highway milepost 213.75. On the basis of this report and other data, the State of Alaska asserts ownership to the shore lands beneath the Dietrich River in this area. APSC was advised of the state's claim to these shore lands and advised that any project that encompassed state-claimed shore lands beneath navigable waters would require a state lease amendment application.

Planning and Classification: The lands encompassed by this application are subject to ADL 50666, North Slope Area Special Use Lands, and are within the Dalton Highway corridor (AS 19.40.010). The North Slope Area Special Use Lands (ADL 50666) designation requires that in addition to permitting requirements under 11 AAC 96.010, a permit is required for motorized vehicle use, unless that use is for subsistence purposes or is on a graveled road. The requirement for a permit or authorization would be fulfilled through the issuance of this pipeline ROW lease amendment.

There is nothing in the Dalton Highway corridor designation (AS 19.40.010) that prohibits the issuance of this pipeline ROW lease amendment for the construction and maintenance of this bank stabilization structure. Pursuant to AS 19.40.200(a), the state may not dispose of state land under AS 38 that is within five miles of the highway right-of-way; however, AS 19.40.200(b)(4) states the prohibition of disposal of state land under (a) of this section does not apply to a disposal for lands necessary for exploration, development, production or transportation of oil or gas in this project area.

Public Notice: Notice of this Analysis and Proposed Decision for the lease amendment request will be published in the Anchorage Daily News and Arctic Sounder on March 25, 2021. The Notice was posted on the State of Alaska online Public Notice and the Division of Oil & Gas Newsroom webpages on March 25, 2021. The Notice will also be sent for posting in the Noel Wien Library in Fairbanks and U.S. Post offices in Fairbanks and Coldfoot.

If public comment indicates the need for significant changes in the proposed decision, additional public notice will be given on or after April 26, 2021. If no significant change is required, the proposed decision, including any minor changes, will be issued as the final decision of the Department of Natural Resources after April 26, 2021, without further notice.

Analysis: AS 38.35, the Alaska Right-of-Way Leasing Act, sets forth the procedures by which certain ROW leases are granted by the State of Alaska and the conditions under which they can be amended. Pursuant to AS 38.35.010, it is the policy of the state that development, use, and control of a pipeline transportation system make the maximum contribution to the development of the human resources of this state, increase the standard of living for all its residents, advance existing

and potential sectors of its economy, strengthen free competition in its private enterprise system, and carefully protect its incomparable natural environment.

Pursuant to AS 38.35.015, the Commissioner has the power to grant leases on state land for pipeline ROW purposes. The Commissioner found it to be in the best interest of the residents of the State of Alaska to issue the Trans-Alaska Pipeline ROW Lease, ADL 63574 on May 3, 1974, and the Renewal and Amendment of ROW Lease for the Trans-Alaska Pipeline and Associated Rights, ADL 63574, effective May 2, 2004. The terms, conditions, stipulations and reservations contained in the Trans-Alaska Pipeline ROW Lease, ADL 63574, will apply to these lands if added to the lease.

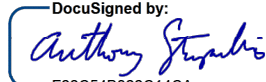
AS 38.35.020(a) requires the applicant to obtain a pipeline ROW lease of state land from the Commissioner. The guide bank extension stabilized the east bank of the Dietrich River at PLMP 199.5, preventing further erosion and enhancing the integrity of the aboveground pipeline in this area. These activities were to protect the integrity of the pipeline and are consistent with the original purpose of the lease. The improvements require an additional disposal of interest in state land beyond what was included in the original terms of the Trans-Alaska Pipeline ROW Lease, ADL 63574. Therefore, an amendment to the lease is required when there is a disposal of an interest in state land or resources beyond what was reviewed and approved during the original adjudication.

Findings: The proposed project is integral to the protection of the pipeline. The bank stabilization structure at the east bank of the Dietrich River at PLMP 199.5 is designed to prevent further erosion, and enhance the buffer between the left/easterly riverbank and the aboveground pipeline in this area. The bank stabilization structure is considered a "Related Facility," as defined by the lease, and will be managed under the lease. The proposal to add the above-described lands to the Trans-Alaska Pipeline ROW Lease, ADL 63574, is consistent with the lease. The terms, conditions and stipulations contained in Trans-Alaska Pipeline ROW Lease, ADL 63574, adequately address and protect the interest of the State of Alaska. The improvements stabilized the bank and repaired some of the upland buffer that had been lost, protecting the integrity of TAPS.

The addition of these lands to the lease does not constitute a significant amendment to the lease since the impact on state resources will be negligible; the project does not conflict with or significantly change existing use of the land; and the environmental effects from the placement of the bank stabilization structure is considered protective of a vital state resource. Approval of the request for the amendment for addition of the described lands is a ministerial function of the lease and is consistent with state statutes and terms of the lease.

Proposed Decision: I find that the request to amend the Right-of-Way Lease for the Trans-Alaska Pipeline, ADL 63574, to include the lands described in this proposed decision is in the best interest of the state and does not constitute a significant amendment to the lease.

If no significant change is required because of public comment or objection, then the proposed decision, including any minor changes, will be issued as the final decision of the Department of Natural Resources after April 26, 2021, without further notice.

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Anthony Strupulis, P.E.
State Pipeline Coordinator

3/22/2021

Date

Attachment A: Trans-Alaska Pipeline System, Milepost 199.5, Bank Stabilization Structure at the Dietrich River, Location Maps, Dated May 2019; and Plan View and Cross Section, Plates 1 and 2, Dated 05/30/2019 (4 Pages)

Attachment B: Trans-Alaska Pipeline System
Preliminary Record of Survey, TAPS Dietrich River, PLMP 199.5
Dated 11/26/2019 (1 Page)